CAFTA FACTS

CAFTA: Central America is Not A Robust Export Market for U.S. Goods

Prepared by the Office of Congressman Sherrod Brown

The price of Microsoft's Office Professional Edition 2003 is $425. The minimum wage in Guatemala is 420 Guatemala Quetzales, or $54 US dollars per month.

At the current minimum wage, a Guatemalan worker could buy Microsoft Office after 8 ½ months of labor. Unfortunately, the purchase would leave them without money for housing, water, clothing, medicines, healthcare, or any other necessities. Not to mention the cost of a computer.

When you consider that a typical Central American consumer earns only a small fraction of a typical American worker's wage, it becomes clear that CAFTA's true objective is not to increase U.S. exports. More than 40 percent of workers in the region labor for less than two dollars a day, placing them below the global poverty level.

Central American consumers cannot afford to buy American-made goods today, and CAFTA's inadequate labor provisions ensure they will be unable to afford American-made goods tomorrow. This agreement offers little or no economic opportunity for American workers and producers. It does benefit companies that leave the U.S. They not only can exploit cheap labor in countries with minimal protections, but can import those products back to the U.S. under favorable terms.

The CAFTA model is a recipe for disaster. Congress must devise a trade agreement to promote business development and jobs in the U.S. as well as economic advancement overseas.

CAFTA should help Central American workers earn enough to buy American-made products. It's time to rethink U.S. trade policy and do what's right, not just for multinational corporations, but what's right for workers, small businesses, communities, and the environment.

The president is on the wrong track. Congress must demand a smarter trade deal than CAFTA.